## AMENDED IN ASSEMBLY MAY 23, 2002 AMENDED IN ASSEMBLY APRIL 18, 2002

CALIFORNIA LEGISLATURE—2001-02 REGULAR SESSION

## ASSEMBLY BILL

No. 2383

## **Introduced by Assembly Members Diaz and Wright**

February 21, 2002

An act relating to energy.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2383, as amended, Diaz. Energy: Little Hoover Commission study.

Existing law establishes the Milton Marks "Little Hoover" Commission on California State Government Organization and Economy (commission) to promote economy, efficiency, and improved service in the transaction of the public business in the various departments, agencies, and instrumentalities of the executive branch of the state government.

This bill would require the commission to conduct a comprehensive study relating to energy and provide the Legislature with recommendations, no later than January 1, 2004, on various energy-related topics including all of the following: establishing an official statewide policy on energy, consolidating existing agencies with energy-related responsibilities into a cabinet-level department, and eliminating duplication of conflicting functions of all energy-related entities, maintaining a safe reserve capacity of electricity, ensuring price stability and service reliability, ensuring a proper rate of review for consumer protection, developing energy

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efficiency and cost-effective renewable energy sources, encouraging electrical corporations to build powerplants, and evaluating the state's role in the procurement of electricity.

The bill would declare the intent of the Legislature that the study be funded by the Public Interest Research, Development, and Demonstration Fund.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) The Milton Marks "Little Hoover"
- 2 Commission on California State Government Organization and
- 3 Economy (commission), established pursuant to Section 8501 of
- 4 the Government Code, shall conduct a comprehensive study
- 5 regarding energy that shall include with recommendations for all 6 of the following:
- 6 of the following: 7 (1) Establishing

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- (1) Establishing an official statewide policy on energy.
- (2) Consolidating existing agencies with energy-related responsibilities into a cabinet-level department.
- 10 (3) Eliminating duplication of conflicting functions of all energy-related entities.
  - (4) Maintaining a safe reserve capacity of electricity.
  - (5) Ensuring price stability and service reliability.
  - (6) Ensuring a proper rate of review for consumer protection.
- 15 (7) Developing energy efficiency and cost-effective renewable energy sources.
  - (8) Encouraging the construction of powerplants.
  - (9) Evaluating the state's role in the procurement of electricity.
  - (b) It is the intent of the Legislature that the study conducted
- 20 pursuant to this section be funded by the Public Interest Research,
- 21 Development, and Demonstration Fund established by Section
- 22 384 of the Public Utilities Code.
- 23 <del>(e)</del>
- 24 (b) The commission shall provide the study to the Legislature
- 25 no later than January 1, 2004.